DOCUMENT RESUME

ED 291 043 CG 020 575

AUTHOR Dieck, Margret
TITLE Old Age Policy in the Federal Republic of Germany--Discussed against the Background of the Social Security System Shaped by Traditions of Self-Help as Well as the Poor Laws in Germany.
INSTITUTION German Center of Gerontology, Berlin (West Germany).
PUB DATE Nov 87
NOTE 19p.
PUB TYPE Reports - General (140)

EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS *Aging (Individuals); Foreign Countries; *Older Adults; Policy Formation; *Public Policy; *Retirement Benefits; *Social Change; Social Responsibility; Social Systems; *Welfare Services
IDENTIFIERS *West Germany

ABSTRACT

In the Federal Republic of Germany, a welfare state, the elderly profit from social security measures to a lesser extent than does the rest of the population. As of yet, the older population has had very little importance in the political arena. Many policy outcomes directly affecting the living conditions of the older population are uncontrolled side-effects of policies with quite other aims and orientations. Social security in Germany remains selective, targeted towards groups in society deemed to be in need of security provisions. It stems from an ideology of self-help, self-responsibility organized on the basis of self-organization and self-government. Health insurance and old age pensions insurance are constructed according to the interests of the working population, not the elderly. Old age policy can be taken to cover political action directed at the social production of new generations of elderly; pensioning age today lies between the ages of 57 and 58. The elderly today are no longer a negligible entity in society. New policy designs that counteract the negative side effects of aging include a positive image of old age, participation by the elderly in political activities, self-help and other activities which demonstrate the elderly's importance, and the elderly as a reservoir of voluntary work. With a willingness to see the brighter aspects of aging, a compensatory old age policy is beginning. (ABL)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

GERMAN CENTRE OF GERONTOLOGY, BERLIN (WEST)

Deutsches Zentrum für Altersfragen e.V.

MANFRED-VON-RICHTHOFEN-STRASSE 2 · 1000 BERLIN 42 · TELEFON (030) 786 60 71

ED291043

CG 020575

"PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY Margret Dieck

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy

OLD AGE POLICY IN THE FEDERAL REPUBLIC OF GERMANY - DISCUSSED AGAINST THE BACKGROUND OF THE SOCIAL SECURITY SYSTEM SHAPED BY TRADITIONS OF SELF-HELP AS WELL AS THE POOR LAWS IN GERMANY

by Margret Dieck (11/1987)

Introduction

It is stated with respect to the USA that they are in the general orientation and scope of their social security system no welfare state - but with respect to the older population, for whom e.g. a general health insurance system has been established as a rather exceptional measure.

The Federal Republic of Germany is a welfare state without doubt since it commands a well developed system of social security encompassing with very few exceptions safeguards against a wide array of risks for nearly all groups in society. The elderly profit by these social security measures, probably to a much higher extent than may be true with regard to the older americans, but - and this is the crucial point - to a clearly lesser degree than the rest of the population. This situation has much to do with the targeting of the social security system, with its underlying societal functions, with its main constructive principles and can only be understood against the background of its historical development.

Background Information on the Conditions Shaping Policies for the Elderly

The older population has as yet very little importance in the political arena, perhaps due to its voting behaviour.Up to now, there is a strong adherance to political parties and rather minor fluctuation of votes from one to the other in combination with very high participation rates in political elections. In the effect, all political parties can rely on their older followers as a yet stable reservoir of votes. The only preventive measure taken relates to promisses concerning stability of old age incomes, an unchanged old age pension system. Discussions of today relate to future changes, when - under unfavourable conditions for the established political parties -

BEST COPY AVAILABLE

new and numerically even more important generations of the older population may adopt a more critical attitude and may turn out to be more demanding with respect to policy orientations in their favour.

An analysis of the main political statements of german chancellors since 1949 (at the occasion of their taking over office after their election or at the beginning of term of office of parliament) shows clearly that the sheer augmentation of the number of the elderly has not led to any growth of political importance. Whilst youth policy, family policy, even policy directed towards women have come to be undispensible blocks in these statements, mentioning of the elderly is no more than haphazard. No norms with respect to federal politics have evolved, no canon of political tribute to be paid to this numerically important group of voters and of society at large has developed.

On the other hand, pension politics play a major role in these main political statements of german chancellors. Why is this so and is it in any way contradictory to the statement above, that old age policy only plays a rather marginal role? Pension policy is only a major aspect of social policy at large, and social policy may be understood as forming (a) part of economic policy, and/or (b) as being directed towards the social shaping of society.

- Under the german chancellor Konrad ADENAUER (from 1949 till 1963), social policy was defined as a policy of furthering the interests of the middle-classes - economically and socially. In addition, social policy could only be developed as far as it promoted economic growth. This line of thought continued to shape german social policy under Ludwig ERHARD (from 1963 to 1966).
- The aspect of social participation and social equality plaid a major role in the thinking of the chancellor Willy BRANDT (from 1969 to 1974). For him as well as for his social-democratic sucessor Helmut SCHMIDT (from 1974 to 1982), social policy was a central means of securing identification of the working force with the new state FRG. This aim can only be understood against the background of history, i.e. the Nazi-Regime and the phase of the Weimar Republic. At the same time, promotion of economic growth continued to be an aim of primary importance.
- Under the era of chancellor Helmut KOHL (since 1982), cut backs in the level of social security provisions - already initiated under his predecessor - were made plausible to the public by pointing to economic necessities. Paramount aims were and are (a) restriction of deficit spending whithin public households, (b) promotion of economic growth. A kind of compensation for restrictions of financial benefits distributed by the social security system was and is seen in a policy that stresses family help and self help and that at the same time calls for an increased willingness to engage in voluntary work.

Under these auspices,pension politics adress the whole of the population in its vested interest - not primarily those who are already recipients of such re-distributory measures. In addition,pension politics adress important lobby groups, especially the employers (since pension contributions form part of wage costs) and the trade unions (since pension contributions are premises in wage negotiations). This is also true for contributions to statutory health insurance. Both branches of the social security system cover approximately 90 p.c. of the population and both are subject to the constructive principle of self-organization, based on the old tradition of self-help still to be touched upon in this paper whithin the context of old age policy.

Differentiation Between Policies Directed Towards the Elderly and Policies Shaping Living Conditions of the Elderly

So far one major difficulty to be overcome in dealing with old age policy from a scientific angle may have already become clear: In the FRG, there is no such thing as a conceptualised old age policy. It would even be an overstatement to say that there is something like a piece-meal old age policy, because many policy outcomes directly effecting the living conditions of the older population are uncontrolled side-effects of policies whith quite other aims and orientations.

This point can perhaps be best illustrated by the example of housing policy not to be touched upon in depth within this discussion.Under the heading of housing policy for the elderly, politics tend to subsume construction of special flats for the elderly . No more than 4 p.c. of the elderly live in such flats and it is obvious by this figure to what a great extent normal housing provisions effect the elderly as a whole.

Another example, closer to the discussion here, relates to acute hospital beds. Within the deliberations concerning new financial regulations for hospital bed provision, it was clearly stated that any measures adopted primarily aim at safeguarding the health of the working population. The new bill of 1974 did not concern nursing institutions. The whole measure was initiated without any attention paid to older patients.(65+), who by now occupy 40 p.c. of all acute hospital beds.

The FRG is a federal state with partition of political and administrative responsibility between the federal government, the eleven Länder governments and the very numerous municipalities with political autonomy (330). Most political responsibilities, within which main decisions are taken effecting living situations of the elderly, lie with the federal government that tends to act without much consideration given to outcomes for the elderly. On the other hand, the municipalities who are much nearer to every day problems and

their solutions, including those concerning the elderly, have only limited political responsibility in relevant spheres in addition to being rather restricted in the scope of possible activity by unquestionable difficulties of making financial ends meet.

The federal organisation of the state has special importance with respect to the elderly. The only law in which help for the aged is explicitly mentioned is the social welfare legislation of 1961. Whilst the federal parliament in cooperation with the second chamber (of which the eleven Länder are members) has legislative power in the field of social welfare, the main administrative as well as financial responsibility lies with the Länder and the municipalities. This situation leads to a general understanding, according to which old age policy under legal aspects is conceptually restricted to help for the aged within social welfare measures, with a minor addition in the field of special housing construction for the elderly as part of social housing policy. The municipalities are within this context the territorial authorities carrying responsibility in the first hand,while the next level of regional authority - i.e. the Länder in whose territory they lie - has the right as well as responsibility of determining the frame of reference, for example by means of decision making with respect to social planning indices and budgetary planning effecting the municipalities . Within the range of political decision making and activities directly adressed towards the shaping of living conditions of the elderly and discussed in this paragraph, the federal government has no independent legal and administrative as well as budgetary authority. Its action is clearly restricted when it comes to such measures as e.g. provision of beds in institutions for the aged, provision of community services such as home nursing services, meals on wheels, counselling etc., cultural and leisure time activities, rehabilitative measures for the elderly within the social as destinct from the health sector, measures furthering self-help and voluntary work as well as provision of special housing for the elderly. Years ago, when as an outcome of the mentioned social welfare legislation of 1961 social planning for the elderly at the level of the municipalities and Länder was in a kind of upwards drift and gained at least a minor element of fashionableness, it was discussed if the federal government had the right to set up a plan of action for the elderly and to establish a kind of council of experts within the field of help for the aged. Such plans were turned down on the ground of legal reasoning on the basis of the constitution,which does not give the federal parliament and government any independent authority in this field. It can only act under the condition that the Länder allow such action, and they in their turn tend to strictly defend those spheres of activity which the constitution reserves for them.

In summing up so far, it may have become clear that the obvious lack of interest of federal governments in what one could define as old age policy is not only promoted by the non-existance of any elder power in federal politics, but also by the federal structure of the state on the basis of the constitution as well as by a conceptual and legal restriction of explicit old age policy to the context of social welfare measures and special housing programmes for the elderly. The main responsibility in these spheres of action lies at the lowest level of regional authorities mainly, i.e. with the municipalities. Such decentralisation of responsibility is complementary to a relative negligance of the challenge which experts in the fields of gerontology and social planning see in the growing need of service delivery and social security measures for the elderly.

The Targeting of the Social Security System /Structural Components Concomittant With a Relative Negligance of the Interests of the Elderly

Before policy outcomes for the elderly are discussed, it seems necessary to analyse in short some of the structural components of the german social security system that lead to a relative negligance of possible interests of the elderly. These structural components in part explain, why there is so little political drive within the central bodies of the social security system itself - quite apart from the unfavourable orientation of federal government policies under aspects of interests of the elderly - to re-shape the system in favour of its older clients or members.

Although Germany, as has been mentioned already, commands a well developed system of social security, the system remains selective - targeted towards groups in society deemed to be in need of security provisions. In addition, it is in its main stream a system of insurance, not of service and financial provision by the state, albeit the extent of state influence today is nearly all encompassing. There is an ideologic continuity from the 19th century to today. According to this ideology, self-responsibility and the tendency towards self-help is fostered by an insurance system based on financial contributions of its members and organised on the basis of self-organisation, self-government. The insurance system in its different branches is not an all-encompassing one, on the contrary. One of its main characteristics stems from its sectionalisation, according to regions (in social welfare, health insurance and blue collar workers pensions) or according to groups in society (in the pension system according to classes - blue and white collar workers, in the pension and health insurance system according to professions in part as well as according to branches of industry and commerce). Apart from such vertical partitioning, there is a horizontal cut off insofar, as the higher income earners are exempt from

insurance obligations within the different branches of the statutory social security system. In addition, membership within the different branches of social security provision is bound to a career as a gainfully employed worker as a general rule, with later additions made for independent entrepreneurs and members of the professions.

> The selectivity of the social security system at the beginning if its instalment at the end of the 19th century has, in the course of time, been reduced. More and more groups in society became subject to obligatory insurance, some were given the opportunity to join the system by individual choice. Nevertheless, the selectivity still exists and the historical exemption of different groups from membership and later benefits continues to have marked effects on the level of social security provisions of the elderly of today. A central effect e.g. is the prevalance of financial poverty within the older generation. Estimates claim between 1 and 2 million elderly living on or below the poverty line marked by subsistence payments of social welfare - most of them women.

One of the main roots of the social security system as it was conceptualised in the 19th century were self-help organisations -friendly societies or co-operatives. These had developed against the back-ground of a tradition of long standing with the aim of covering some of the main risks of workers in the different skilled trades (artisans) and in part in industry as well.Most developed were co-operatives aiming at common insurance of health risks and the costs of burial. They in part provided necessary financial means, others provided nursing service in cases of need, i.e. a service in kind. A direct line of development leads from these co-operatives to some of the big statutory health insurance bodies of today. Another line of development within statutory health insurance was in the 19th century based on the population at risk in one region. Such health insurance associations were initiated by the municipalities, and continue to form the largest health insurance body within the statutory insurance system of today. Municipalities were given the right to decree obligatory payments of employers into their sickness funds e.g. in Prussia in 1849. This construction led, when the statutory health insurance was introduced in Germany in 1883, to the establishment of a system of self-organisation and self-determination within the legal framework, in which elected representatives of the body of insured as well as appointed representatives of the employers (both paying contributions into the funds) were given the common right of decision-making. The principle is one of equal representation of both interest groups. Today, representatives of trade unions are by tendency the sole elected representatives of the body of insured individuals.

This principle of representation of membership within the statutory

health insurance associations leads to the exclusion of a great part of members from the decision-making within self-determining bodies: it leads to an exclusion of the elderly, who are no longer gainfully employed and who cannot be seen as represented in their interests by the trade unions whose interests are focussed on the working population.It is not possible either to see any direct and positive connection between the interests of the employer organisations represented within the self-determining bodies of statutory health insurance and the non-working elderly.On the other hand, representatives of the statutory health insurance associations are a powerful lobby group when it comes to any legislative measures concerning health insurance at the federal level as well as concerning administrative and social planning measures at the level of the Länder and municipalities.

Such lack of involvement in the interests and needs of the older members of statutory health insurance is paralleled by the disinterest of the powerful organisations of medical doctors, who are in their turn the basis of self-organisation and self-determination within the health system, as far as provision of medical services are concerned. Within the medical professions in the FRG, geriatrics has no standing, is not recognised as a medical speciality. By tradition, the medical profession and its spear head - university medicine - is oriented towards acute illness, not chronic desease. Rehabilitation efforts are primarily oriented towards the working force, their aim is the safe-guard of working capacity, and only rather lately and to a much lesser degree social rehabilitation with the aim of securing the quality of life(e.g. also achievable in old age with the help of therapeutic efforts after health impairments have become manifest) was instroduced as a measure.

The medical profession is in general understood to be an even more influential lobby group than are the representatives of statutory health insurance. For one, medical doctors are the experts in all fields of health. In addition, the medical profession commands a centralised organisation, whilst statutory health insurance associations are no less than 1.400 in number and bound together in a variety of umbrella organisations, in part competitive towards each other. But they all join together in an effort of preventing any further legal commitments towards health services for the growing number of older patients and members, that in their turn would make it even more difficult to bring up the costs of an inflationary health services delivery system.

The effects of this general orientation of the health insurance system are e.g. acute hospitals not geared to meet the needs of the many chronic ill and multi-morbid elderly patients. Another not less negative effect is the exclusion of nursing care from health insurance as a general line of action, with only very few exceptions made here and there. E.g., statutory health insurance comes up for the costs of home nursing services for the elderly only under very strongly restricted conditions and mostly on a voluntary basis, always to be withdrawn by mere decision the self-determining decision-making bodies. Nursing services in institutions for the elderly are excluded from health insurance benefits. If e.g. nursing home inhabitants have to be admitted to hospital due to an acute illness, then health insurance will cover the much higher costs per diem. In addition, strangely enough (if judged by the measuring rod of consequent reasoning and action and not by the income securing interests of general practitioners) statutory health insurance will without any discussion come up for the costs of ambulant medical treatment, even if such treatment is offered in nursing homes. And of course it covers the costs of nursing services in acute hospitals.

We now turn to the statutory old age pension system. Its predecessors were systems aiming at securing a livelihood at a minimal level within the mining industry, within the organisations of the skilled trades (artisans) and on the basis of voluntary insurance in private companies in case of old age or widowhood. The principle of self-determination and self-organisation already described for statutory health insurance, was also adopted for statutory pension insurance in 1889. The funds , separatly organised for blue and white collar workers, were again financed by contributions stemming from the insured themselves and from their employers, so that equal representation of both groups in the self-governing bodies was decreed. In deviation from the "pure" responsibility of the interested parties for the health insurance system however, the state accepted an obligation to finance a part of the costs of this old age pension system. The reasons center around the following interests of the state: (a) the interest of keeping additional wage costs for industry low, (b) the interest of binding the working force to the state as established and by so doing combatting opposition and socialist tendencies, (c) the interest of securing minimal old age pensions that would relieve the municipalities from a part of the costs of ensuring a livelihood for the poor. A certain continuum of state interest in the statutory pension system can be traced until the present day, and it continues in part on the lines mentioned, even though a major reform of the pension system came about in 1957.

Before 1957, the aim of the statutory pension system was not the provision of an old age income that would secure as high a quality of life

as had been made possible by the earned work income. The pension system furnished a contribution to subsistance, not subsistance as a whole. After 1957, the aim was to provide an old age pension that would substitute former earned income at such a level, as to ensure a continuity of the standard of living in general - with provisions made for an assumed and never proven lower level of spending in old age. However, this level of old age income was and is only to be attained under specified conditions: one must have been subject to obligatory contributions into the pension fund, the earned income must have been high enough and there must have been no longer periods in the working career, in which both conditions were not fulfilled, during a span of 40 working years.

In addition, the old age pension is oriented towards the individual, not towards his family or household. The pension rights of widows' and lately the widowers' pension rights only cover 60 p.c. of the pension rights of the insured, no matter how high or low his/her pension rights were.I.e., the german pension system does not attempt to in general secure a reasonably high old age income for the population at large. It does not even guarantee a minimum income for its beneficiaries; all it promises to the working force is a good old age income, provided they themselves fulfill the conditions named.

The outcome is a great diversity in the level of pension payments, and depending on the line of argumentation and the personal interests involved, it is as well possible to point to an average old age income that is rather good, to the big group of well off elderly - or to the large proportion of older inhabitants living on an income near the poverty line or even beneath it.

Flat rate mininum pension payments and a national pension system have no chance of being put into force in the FRG. Income equity was e.g. an aim which the allied forces attempted to introduce into the german social security system in 1949. For a very short span of time, flat rate old age pensions were paid in the american and british zones. As soon as the germans re-gained legislative power, this system was abandoned in the western part of the country and the tradition of earnings related benefits was once again taken up. Although today there is quite an intensive discussion on the point and a small political minority is clearly in favour of securing a decent financial background in old age for every citizen, the overruling argument against such solutions is one of principle as well as ideology:First, old age income if it is to reach a level above the poverty line must be earned; second, income provisions that are not bound to individual efforts undermine

our competitive system that forms the basis of economic growth and economic success.

Summing up: It has hopefully become clear so far, to what a high degree two of the main branches of the social security system - health insurance and old age pension insurance - are constructed according to the interests of the working population, not the elderly, although the older population is in the end one of the most important beneficiaries. If one of the functions of such a social security system is one of appeasement, of social stabilisation, of promotion of social cohesion, then the target group is the working population first and foremost. The principles of self-organisation and self-determination, derived from the predecessor systems already established when social security was conceptualised at the end of last century (who in their turn were to a great extent "classic" self-help organisations based on common insurance and only to a lesser extent organisations of provision of help and security by charity), are still in force today. Under the aspect of interests of the older population, the problem of the concrete form these principles have taken lies in the exclusion of the elderly from the self-determined decision-making bodies. This leads to relative neglect of their specific interests, of the outcomes of the insurance systems - in other words, the insurance systems are not designed in order to achieve a pre-determined effect on the living situation of the older population as a whole. It can be argued, quite apart from the effects of the principles of organisation and decision-making, a causal - as opposed to a final - orientation tends to be inherent in any insurance system.

Public Welfare Provisions Guarantee Groundlevel Social Security

A welfare state with a selective and highly partitioned social insurance system of the Bismarckian type will, in order to guarantee groundlevel social security for the whole of the population, have to develop public welfare provisions as a last resort for those at risk or in need. Public welfare provisions in Germany, as in many other countries, have developed out of the poor laws of the middle ages. Although the west german social welfare legislation enacted in 1961 is in general judged to be progressive, and despite the introduction of legal rights for welfare recipients in many fields of action taken on the ground of this law, social welfare has as yet not discarded its roots that are to be traced to the poor laws and the very low status attributed to the clients of this branch of social security.

As we have already stated above, the elderly as a specific group of beneficiaries are only adressed within the context of social welfare legislation. Only here is help for the aged explicitly mentioned. This fact leads to a narrowing of the concept underlying the term policies for the elderly in Germany to

such measures as can be subsumed under this heading. At this point, we will have to carry analysis even a step further and make clear, when we speak of social services for the elderly we always mean such services as are legally covered by the social welfare system. When we speak of health services, we always refer to such services as are provided and financed by the health insurance associations. In comparing these two systems, for the patients or clients or beneficiaries respectively, health services are the first choice whilst it would be more than a euphemism to term social services a second choice - they are far less, since they continue to be discriminatory. This has much to do with the former loss of citizens rights including the right of vote for those who became clients of the poor law administration; it has today to do with means testing in case individual services are asked for or needed, in addition to means testing of the children in order to ascertain in how far their income and fortune has to be utilised in oder to cover the cost of service. Social welfare services and payments are in general designed along the official poverty line.

This general statement, true as it is, must be qualified without delay. The german system of social welfare and social services established within this legal framework is a rather intricate one. There is on the one hand, a clear responsibility of the state to offer such groundlevel social security including services in kind as needed by those at risk. This obligation lies with the municipalities and with the 11 Länder. On the other hand, the public authorities underly restrictions concerning their own service provision. Those who are first and foremost called upon to organise and offer any service needed are non-public initiatives and organisations or networks, i.e. any individuals or groups who take service provision, counselling etc. into their own hands and develop such activity within their own realm of responsibility and according to their own expertise. The term "subsidiarity" labels this system of graded responsibility we have already described as in operation with respect to the federal organisation of the state and which is prolonged - so to speak - from the municipality to organisations of a non-profit-making nature to the small informal networks including the families and to the individual citizens themselves.

Historically, there are very close bonds of kinship between self-help organisations and altruistic, non-profit-making organisations or friendly societies. Their common denominator is unselfish action, either by joining together in order to cover common risks or in order to achieve a common goal, or by joining forces in order to cover such risks or to reach such goals with respect to others whilst disclaiming any selfish goals of one's own.

In the FRG today social services are to a very high degree offered by member

organisations of six umbrella non-profit-making welfare organisations. Some of these have close ties to religious denominations (e.g. to the catholic and protestant churches, to the jewish religion), others have a particular ideologic background (e.g. social-democratic) and again others are non-partisan and non-denominational (e.g. Red Cross). Their membership is either formed by independant self-help or charity organisations offering special service, or by individuals who have decided to further the common goal.The latter tend to be more organised in an upward-down hierarchy and they run semi-independent service units. The first are based on a bottom-up organisational pattern, their membership is rather independent. The historic roots of these influential welfare organisations lie in the numerous self-help organisations founded over more than a century in order to cover basic risks of any kind and quality, and they in part continue to absorb such activities. The other roots are charitable activities initiated by the citizens of municipalities, by the membership of parishes or by the activists of political parties. Again, such activities continue into present times and are by tendency absorbed by the established welfare organisations.

This process of absorbation or encompassment is furthered by privileges the welfare organisations and their membership are awarded by the state. They take the form of tax exemption due to a special quality of public dedication conceded exclusively to these organisations. In addition, membership opens access to public subsidies. And last but not least, a network of security measures that by and large ensures cost coverage for the organisations has evolved, the guaranteeing agencies are more or less the municipalities and within these the social welfare administrations. It is no overstatement that this alliance between the state and the formally independent welfare organisations, formed at about the time when the Bismarckian social security system was designed and further developed in later years, created a monopoly of service delivery with the acknowledged welfare organisations, stabilised their umbrella associations and this social services delivery system - and it simultaneously bound these independent organisations to function according to the political issues defined by the state. There is a clear cut reciprocal dependency and a basic need for common negotiation when any issue of importance to both sides - the state as well as the non-public welfare providers - is at stake. Since now more than 100 years, both have a common platform of discussion and negotiation, an association with numerous committees in which developmental issues, problems, common or antagonistic interests are continuously brought to the fore and clarified.

It is of course clear that any organisations, be they of a self-help character or of an altrustic orientation, springing up and developing tend to enter this monopol sooner or later, provided they operate within the social welfare system and rely on finance coming from this public source.

Social services for the elderly have developed within this system. Although the individual recipient of services for whose costs he has to come up, has to pay out of his own income and fortune and may well be reduced to a living along the poverty line by so doing - this does not mean that the services themselves are of low quality.It is worth mentioning that the high quality nursing homes we have in the FRG, even the first attempts at rehabilitation of chronic ill elderly, were built up within the social welfare system. Home nursing services are offered within this system. The high costs for municipal households as well as the discriminatory exclusion of chronic ill elderly from the benefits of statutory health insurance in the case of nursing needs, has led since more than ten years to an intensive discussion and to earnest attempts of all actors within the social welfare system to achieve a better solution in order to solve both problems.The situation is turning more dramatic for a number of reasons. The older clients are no longer the most costly group for social welfare budgets. They have been overtaken by the large group of long-term unemployed and their families, who cannot make a living without additional payments from the social welfare budget. Today we are again in a phase, in which financial burdens of municipalities who have to cover the costs of social services and subsistance payments to a large extent have surpassed a threshhold of toleration and -in addition - the growing number of elderly who are becoming clients of social welfare may initiate societal conflict.

Today, some 70 p.c. of nursing home inhabitants have become clients of social welfare. The problem is no longer one of the lower or middle classes alone. Even well off elderly cannot cover out of their running income the costs of nursing homes in general. If a fortune exists, it must be used in order to cover the costs of nursing home stay. Means tests ensure that all financial means are used, before social welfare administrations take over cost coverage. In the FRG, the children are obliged within certain margins to come up for service costs of their parents, so they too undergo a means test. This system is becoming a generalised one, every potential inhabitant of a nursing home is at risk to become a client of social welfare and by this to be placed into line with the long tradition of the poor laws.

When discussion in this issue was opend in 1974, responsible politicians took no notice. In the mean time, no less than five bills have been presented to the federal parliament or to the second chamber of federal legislation respectively. The public welfare administrations together with the non-profit welfare organisations themselves worked out a legal solution.The federal government has recognised the necessity of finding new solutions since 1983, but up to now neither the statutory health

associations nor the organisations of medical doctors were in any way willing to co-operate. At the same time more and more rather costly acute hospital beds are occupied by older patients who in part use the hospitals in order to avoid nursing homes. Last but not least, there is fear family nursing services will not be as freely available in future. Many reasons apart from any dedication to the needs and interests of the elderly themselves provoce new solutions. It is only in November 1987 that the federal government has published plans to open statutory health insurance for selected measures concerning the chronic ill elderly living in their own homes to be adopted within the broader context of new health insurance regulations.

Change in the Number and in the Composition of the Older Population

In a perhaps controversial and not commonly adopted sense, old age policy can also be taken to cover political action directed at the "social production of new generations of elderly". In the FRG, such "social production of members of the older generation" is an ongoing process since 1973, when flexible retirement was first introduced. The development towards earlier and earlier retirement ages is one characterised by a number of events to be termed as landslides:

- The first landslide is the one introduced in 1973, when men could decide to retire at the age of 63 as opposed to the normal pensioning age of 65. More than 80 p.c. of male workers very soon no longer reached the normal retirement age on their job.
- The second landslide came about, when in 1979 functionally impaired workers could retire at the age of 61 and this age limit was lowered once more to 60 in 1980.
- The third and massive landslide was initiated in 1975, when pension rights on the ground of professional disability were tied to the labour market situation, i.e. the concrete chance of getting a suitable job.
- The fourth landslide encompasses all regulations that enable employers to adopt measures aimed at the pensioning of their older workers, a development going strong since the end of the 1970s.
- The fifth landslide was trod loose by the development of unemployment figures since the beginning of the 1980s. Many older and long-term unemployed were and are in fact without any chance whatsoever of regaining a job . In actual fact, they are premature retirees under unfavourable conditions, even if they depend on unemployment benefits or social welfare payments for a subsistance, either until they are subject to pension payment rights or as long as they live.

On an average, pensioning age today lies between the age of 57 and 58. No small number of workers leaves gainful employment for good in their early 50s.

If, approximately until 1970, it was quite correct to define the older population as encompassing those of an age of 65 and over, today the borderline of the age of 60 seems a minimization of this population group. Taking the figures of 1985, we do not have to do with an older population of c. 9 million (65+), but of 12.5 million at least (60+). Their proportion of the population is not 15 p.c. (65+), but at least 20.5 p.c. (60+).The tendency is as yet one of augmentation, first by further factual lowering of average ages at which earned employment is given up for ever, second by force of the demographic development.

Not only is the "older population" growing younger continuously, it is also growing older at the same time. We have a growing number of centenarions. We have a growing number of the age group of 80+, generally to be taken as the stratum of old age in which groups at risk tend to develop along an ascendant line.

Attempts at Conceptualisation of Compensatory Politics of Old Age

The elderly of today are no longer a negligable entity in society by the mere force of their number and by the proportion of the population they now represent.

It is by now no longer possible to restrict differentiation of this population group to the young old and the old old, although the world wide adoption of this differentiation is an homage to Bernice Neugarten. There are at least four large target groups of policies directed towards the living situation of the older population, i.e. of a population group whose problems are in one way or the other concomitant with higher age:

- the group of older workers (still employed)
- the group of non-employed within the higher age groups of the working force (i.e. the older workers already unemployed)
- the so-called young old within the boundaries of traditional old age limits (perhaps 60 to 75 or 65 to 80 years of age)
- the so-called old old (aged 80+ and reaching out to an age of 110).

Quite parallel to the production of new groups or generations of the older population in time, new policy designs directed towards the elderly were step by step conceptualised and adopted. We will attempt to outline these as part of what we term "compensatory politics of old age". On the other hand, the graying of the nation went along with severe cuts in the social security provisions for the elderly. These cuts in part had the form of reduced participation in the development of welfare, e.g. reduced levels of pension increments in comparison with the development of earned wages. In part, such cuts came about by non-adaptation of service provision to a growing number of elderly in need of such services, e.g. with respect to beds in institutions or home nursing and

other community services. Today, in view of the promissed reform of taxation, it is planned to abandon exemption from tax on the ground of old age within rather restricted financial limits. In addition, pension rights of the future generations of old people have here and there, for the general public nearly invisible, been reduced. Cost coverage and service delivery by the health insurance bodies is slowly infringed upon, etc. etc.

In such a situation, new policy designs that serve to counteract the constant verbalisation of problems of old age and the concentration on the negative side-effects of ageing can claim a certain degree of rationality.

One level and focus of compensatory political activity is that concentrating on enforcing a more positive image of old age. A number of public relation activities have been adopted by the federal governments and others, they highlight the scope of activities of older people, they call for a new terminology with more positive connotations, they attempt to activate the potential of self-help and voluntary work within the aged population.

Other attempts are directed towards participation of the elderly in political activities. There is a clear trend against membership of elderly in the established political system of decision making. Less and less people aged 60+ are members of parliaments at all levels of the parliamentary system of the FRG. Parallel to this development, distinct councils representing the older population were founded since 1974, when the first of such councils at the level of the municipalities came into being.It is estimated that by now more than 150 of such councils exist within municipalities. Most recently, they have built up an organisation at the level of the 11 Länder and even the federal state. Criticism of these councils points to their lack of democratic authorisation (since the basis of their electorate remains restricted, sometimes to old age clubs) and to their lack of political influence. It cannot be overlooked to which extent social welfare administrations have been the fostering bodies and still are. Public and political homage paid to such councils of the elderly as yet outways their effectiveness as a political force as well as a lobbyist group.

Another strain of government and administrative activity concerns the initiation and subsidisation of self-help activities and other activities of the eldery deemed to demonstrate their importance and usefullness for society. Such policies can be interpreted as an attempt at creation of a new social movement, by catching on what is happening already in the grounds of individual initiatives of autonomous elderly, and by giving this grass root development additional momentum and effectivity through the creation of public awareness and by means of selective public funding.

Such attempts are of another quality than that to be conceded to the traditional self-help movements. In the 19th century, they sprang out of sheer poverty. The self-help and co-operative movement was an important pillar for agriculture, the skilled trades as well as for the low-wage working force, with respect to economic activity, social security provisions and the accessibility of services in kind within the welfare sphere. The years after the second world war with their influx of refugees and immigrants were again a time, in which self-help activities and co-operatives sprang up and were to a certain extent subsidised by the state in an effort to provide an earned income. No matter how strong this movement was in the times discusses in this paper, social politics nearly always recognised and clearly spelled out that self-help is no substitute for a well developed and tightly knit network of social security provisions.

The promotion of self-help today can be interpreted as an attempt to have the gaps the social security system still leaves open filled by individual initiative of a nature not very cost-intensive for the promoting agencies. It can also be interpreted as an effort towards counteracting the immobilising effects of a welfare state type of social security. And, at least in our understanding, it can be critically viewed as an activity that in part draws public attention from other more difficult problem areas. At the same time, it is a discussion worth while, in how far self-help can be fostered by alien commitment and if, perhaps, the promoter can focus on one activity, whilst the members of self-help and objects of such promotion may stress quite different outlooks. Not every form of self-help may coincide with public of state interests.

Last but not least, there are the attempts at utilisation of the elderly as a reservoir of voluntary work, especially in such sectors, in which the social security system either does not furnish and finance the personell needed for service delivery within the formal and organised sector, or as additional capacity within the informal networks, in which it is feared families do not or will not in future meet the needs of their older members. As yet, as investigations unquestionably make clear, the elderly (aged 65+) are the group within the population least willing to engage in such activities. The willingness to engage in voluntary activity is most pronounced within those groups of the population who have reached a rather high level of formal education. It is a well proven fact that under this aspect the older population is by tendency handicapped since we have a high age specific downward trend of formal educational levels achieved. It is not uninteresting to note,

in addition, that the higher classes more strongly advocate more self-initiative and self-responsibility as compared with the working and lower classes. The highest rate of persons who are in favour of more self-help and self-initiative is to be found within the group of civil servants who, in the FRG, are the group in the population with the by far best social security provisions to be had and with a rather high level of formal education. As one author states in analysing such interviewer data (JAUFMANN 1985),the chance is high that those who call for more self-help and rather less than more social security provisions do not target upon themselves but on other groups in society. There is no proved reason to beleave there was a clear trend towards more intensified engagement for and dedication to such societal goals.

But: We are still at the beginning of conceptualisation of such compensatory old age policy. Perhaps it can already today be said that there is a certain change in political atmosphere, in the focus on old age within the mass media, in the relative weight attached to problems of social security for the elderly. A willingness to see the more bright aspects and a tendency to neglect the rather dim and depressing ones can, with a certain amount of good will in this direction, be detected with respect to old age. This would mean, the compensatory old age policy is showing effect, no matter what the real problems of a great and by no means diminishing group of the older population may be.

LITERATURE

Dieter Jaufmann:Selbsthilfe und Sozialpolitik:Historische Dimensionen und aktuelle Entwicklungen,in:Neue Praxis, 15(1985)4,S.287-295

Peter A.Köhler und Hans F.Zacher:Ein Jahrhundert Sozialversicherung in der Bundesrepublik Deutschland,Frankreich,Großbritannien,Österreich und der Schweiz, Schriftenreihe für Internationales und Vergleichendes Sozialrecht Bd.6,Berlin 1981

Peter A.Köhler und Hans F.Zacher: Beiträge zur Geschichte und aktueller Situation der Sozialversicherung, Schriftenreihe für Internationales und Vergleichendes Sozialrecht Bd.8,Berlin 1983

Roland Wegener: Staat und Verbände im Sachbereich Wohlfahrtspflege.Eine Studie zum Verhältnis von Staat,Kirche und Gesellschaft im politischen Gemeinwesen, Staatskirchenrechtliche Abhandlungen Bd.8,Berlin 1978